



भारत का राजपत्र The Gazette of India

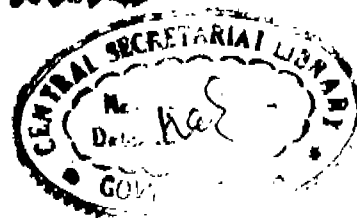
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EXTRAORDINARY

भाग II-खंड 2

PART II—Section 2

आधिकार से प्रकाशित

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NEW DELHI, SUNDAY, APRIL 2, 1995/ CHAITRA 12, 1917

भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके ।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

LOK SABHA

The following Bills were introduced in Lok Sabha on 2nd April, 1995:—

BILL No. 28 OF 1995

A Bill to provide for the constitution of a Board for payment of equity capital or any other financial assistance to industrial concerns attempting commercial application of indigenous technology or adapting imported technology to wider domestic applications and for matters connected therewith or incidental thereto.

Be it enacted by Parliament in the Forty-sixth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Technology Development Board Act, 1995,

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. In this Act, unless the context otherwise requires,—

(a) “Board” means the Technology Development Board constituted under sub-section (1) of section 3;

(b) “Chairperson” means the Chairperson of the Board;

(c) “Fund” means the Fund for Technology Development and Application constituted under sub-section (1) of section 9;

(d) “member” means a member of the Board and includes the Chairperson;

Short
title,
and Com-
mence-
ment.

Defini-
tions.

(e) "prescribed" means prescribed by rules made under this Act;

(f) "Secretary" means the Secretary of the Board appointed under sub-section (1) of section 4;

(g) words and expressions used herein and not defined but defined in the Research and Development Cess Act, 1986, shall have the meanings respectively assigned to them in that Act. 32 of 1986.

CHAPTER II

TECHNOLOGY DEVELOPMENT BOARD

Constitution and incorporation of the Board.

3. (1) The Central Government shall, by notification in the Official Gazette, constitute, for the purposes of this Act, a Board, to be called the Technology Development Board.

2. The Board shall be a body corporate by the name aforesaid having perpetual succession and a common seal with power, subject to the provisions of this Act, to contract and shall, by the said name, sue and be sued.

(3) the Board shall consist of the following members, namely:—

(a) the Secretary to the Government of India incharge of the Ministry or Department of the Central Government dealing with Science and Technology *ex-officio Chairperson;*

(b) the Secretary to the Government of India incharge of the Ministry or Department of the Central Government dealing with Scientific and Industrial Research *ex-officio;*

(c) the Secretary to the Government of India incharge of the Ministry or Department of the Central Government dealing with Finance (Expenditure) *ex-officio;*

(d) the Secretary to the Government of India incharge of the Ministry or Department of the Central Government dealing with Defence Research and Development *ex-officio;*

(e) the Secretary to the Government of India incharge of the Ministry or Department of the Central Government dealing with Industrial Development *ex-officio*

(f) such number of persons, not exceeding four as may be prescribed, to be appointed by the Central Government from amongst persons having experience in technology development and application; and

(g) Secretary of the Board— *ex-officio;*

(4) The term of office and other conditions of service of members specified in clause (f) of sub-section (3) shall be such as may be prescribed.

(5) **The Chairperson shall, in addition to presiding over the meetings of the Board exercise and discharge such powers and duties of the Board as may, be delegated to him by the Board and such other powers and duties as may be, prescribed.**

(6) No act or proceeding of the Board shall be invalidated merely by reason of —

(a) any vacancy in, or any defect in the constitution of, the Board;

(b) any defect in the appointment of a person acting as a member of the Board;

(c) any irregularity in the procedure of the Board not affecting the merits of the case.

4. (1) The Board may appoint the Secretary and such other officers and employees as it considers necessary for the efficient discharge of its functions under this Act.

Secretary and other officers and employees of the Board.

(2) The terms and conditions of service of the Secretary and other officers and employees of the Board shall be such as may be determined by regulations.

5. (1) Subject to the rules made in this behalf, the Board may appoint such committees as may be necessary for the efficient discharge of its duties and performance of its functions under this Act.

Committees of the Board.

(2) The Board shall have the power to co-opt as members of any committee appointed under sub-section (1) such number of persons who are not members of the Board as it may think fit, and the person so co-opted shall have the right to attend the meetings of the committee, and take part in the proceedings of the committee, but shall not have the right to vote.

6. The Board may—

Functions of Board.

(a) provide equity capital or any other financial assistance to industrial concerns attempting commercial application of indigenous technology or adapting imported technology to wider domestic applications;

(b) provide financial assistance to such research and development institutions engaged in developing indigenous technology or adaptation of imported technology for Commercial application as may be recognised by the Central Government;

(c) perform such other functions as may be entrusted to it by the Central Government.

CHAPTER III

APPLICATION FOR GRANT OF FINANCIAL ASSISTANCE

7. (1) An application for grant of financial assistance for the purposes mentioned under section 6 shall be made to the Board in such form as may be prescribed.

Application for grant of financial assistance, etc.

(2) The Board may, after examining the application and after making such enquiries as it deems necessary by order in writing, either grant the financial assistance or refuse to grant the same.

Provided that no refusal of grant shall be made unless an opportunity is given to the applicant of being heard.

CHAPTER IV

FINANCE, ACCOUNTS AND AUDIT

Grant
and
loans
by the
Central
Govern-
ment.

Fund
for
Techno-
logy
Develop-
ment
and Ap-
plication.

8. The Central Government may, after due appropriation made by Parliament by law, in this behalf, make to the Board grants and loans of such sums of money as that Government may consider necessary.

9. (1) There shall be constituted a Fund to be called the Fund for Technology Development and Application and there shall be credited to the Fund—

- (a) any grants and loans made to the Board by the Central Government under section 8;
- (b) all sums received by the Board from any other source;
- (c) recoveries made of the amounts granted from the Fund; and
- (d) any income from investment of the amount of the Fund.

(2) The Fund shall be applied for meeting—

(a) expenses on the objects and for the purposes authorised by this Act;

(b) salaries, allowances and other expenses of officers and other employees of the Board; and

(c) expenses of the Board in the discharge of its functions under this Act.

Transfer
of
money
receipts
and
liabili-
ties.

10. On and from the commencement of this Act,—

(a) the moneys standing at the credit of the Venture Capital Fund formed under section 5 of the Research and Development Cess Act, 1986 which is part of the Development Assistance Fund established by the Development Bank under section 14 of the Industrial Development Bank of India Act, 1961 shall stand transferred to and vest in the Board;

32 of 1986.

18 of 1964.

(b) all sums of money due to the Development Bank immediately before such commencement shall be deemed to be due to the Board;

(c) all debts, obligations and liabilities incurred, all contracts or agreements entered into and all matters and things engaged to be done by, with or for the Development Bank immediately before such commencement for or in connection with the purpose of the Venture Capital Fund shall be deemed to have been incurred, entered into or engaged to be done by, with or for the Board; and

(d) all suits and other legal proceedings instituted or which could have been instituted by or against the Development Bank immediately before such commencement may be continued or instituted by or against the Board.

11. The Board shall prepare in such form and at such time in each financial year, as may be prescribed, its budget for the next financial year, showing the estimated receipts and expenditure of the Board and forward the same to the Central Government. Budget.

12. The Board shall prepare, in such form and at such time in each financial year as may be prescribed, its annual report, giving a full account of its activities during the previous financial year, and submit a copy thereof to the Central Government. Annual report.

13. (1) The Board shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India. Accounts and audit.

(2) The Comptroller and Auditor-General of India or any other person appointed by him in connection with the auditing of the accounts of the Board under this Act shall have the same rights and privileges and the authority in connection with such audit as the Comptroller and Auditor-General of India has in connection with the auditing of the Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Board under this Act.

(3) The accounts of the Board shall be audited by the Comptroller and Auditor-General of India annually and any expenditure incurred in connection with such audit shall be payable by the Board to the Comptroller and Auditor-General of India.

(4) The Board shall furnish to the Central Government before such date as may be prescribed its audited copy of accounts together with auditor's report.

14. The Central Government shall cause the annual report and auditor's report to be laid, as soon as may be after they are received, before each House of Parliament. Annual report and auditor's report to be laid before Parliament.

CHAPTER V

MISCELLANEOUS

15. (1) An industrial concern or an institution receiving financial assistance from the Board shall furnish returns to the Board in such form and at such time as may be determined by regulations. Returns to be furnished to the Board.

(2) The Board may authorise an officer to visit any industrial concern or institution referred to in sub-section (1) at any time to verify the accuracy of any return made under this section.

Power of the Central Government to issue directions.

16. (1) Without prejudice to the foregoing provisions of this Act, the Board shall, in the discharge of its functions and duties under this Act, be bound by such directions on questions of policy as the Central Government may give in writing to it from time to time:

Provided that the Board shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-section.

(2) The decision of the Central Government whether a question is one of the policy or not shall be final.

Power of Central Government to supersede the Board.

17. (1) If at any time the Central Government is of opinion—

(a) that on account of grave emergency, the Board is unable to discharge the functions and duties imposed on it by or under the provisions of this Act; or

(b) that the Board has persistently made default in complying with any direction issued by the Central Government under this Act or in the discharge of the functions and duties imposed on it by or under the provisions of this Act and as a result of such default the financial position of the Board or the administration of the Board has deteriorated; or

(c) that circumstances exist which render it necessary in the public interest so to do,

the Central Government may, by notification in the Official Gazette, supersede the Board for such period, not exceeding six months, as may be specified in the notification.

(2) Upon the publication of a notification under sub-section (1) superseding the Board,—

(a) all the members shall, as from the date of supersession, vacate their offices as such;

(b) all the powers, functions and duties which may, by or under the provisions of this Act, be exercised or discharged by or on behalf of the Board, shall, until the Board is reconstituted under sub-section (3), be exercised and discharged by such person or persons as the Central Government may direct; and

(c) all property owned or controlled by the Board shall, until the Board is reconstituted under sub-section (3), vest in the Central Government.

(3) On the expiration of the period of supersession specified in the notification issued under sub-section (1), the Central Government may reconstitute the Board by a fresh appointment and in such case any person or persons who vacated their offices under clause (a) of sub-section (2), shall not be deemed to be disqualified for appointment:

Provided that the Central Government may, at any time, before the expiration of the period of supersession, take action under this sub-section.

(4) The Central Government shall cause a notification issued under sub-section (1) and a full report of any action taken under this section and the circumstances leading to such action to be laid before each House of Parliament at the earliest.

18. The Board may, by general or special order in writing, delegate to the Chairperson or any other member or to any officer of the Board, subject to such conditions and limitations, if any, as may be specified in the order, such of its powers and functions under this Act (except the power under section 22) as it may deem necessary.

Delegation.

5 of 1860.

19. All members, officers and other employees of the Board shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of section 21 of the Indian penal Code.

Members, officers and employees of the Board to be public servants.

20. No prosecution or other legal proceeding shall lie against the Government, or the Board or any committee appointed by it, or any member of the Board or such committee, or any officer or employee of the Government or the Board or any other person authorised by the Government or the Board for anything which is in good faith done or intended to be done under this Act or the rules or regulations made thereunder.

Protection of action taken in good faith.

21. (1) The Central Government may, by notification in the Official Gazette make rules to carry out the provisions of this Act.

Power of Central Government to make rules.

(2) Without prejudice to the generality of the foregoing power such rules may provide for all or any of the following matters, namely:—

(a) the number of members of the Board under clause (f) of sub-section (3) of section 3;

(b) the term of office and other conditions of service of the members of the Board under sub-section (4) of section 3;

(c) the powers and duties of the Chairperson under sub-section (5) of section 3;

(d) the constitution of committees under sub-section (1) of section 5;

(e) the form of application under sub-section (1) of section 7;

(f) the form in which, and the time at which, the Board shall prepare its budget under section 11, and its annual report under section 12;

(g) the form of annual statement of accounts under sub-section (1) of section 13 and the date before which the audited copy of the accounts may be furnished to the Central Government under sub-section (4) of that section;

(h) any other matter which is to be, or may be, prescribed or in respect of which provision is to be, or may be, by rules.

Power of
Board to
make
regula-
tions.

22. (1) The Board may, with the previous approval of the Central Government, by notification in the Official Gazette, make regulations consistent with this Act and the rules generally to carry out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—

(a) The terms and conditions of service of the Secretary and other officers and employees of the Board under sub-section (2) of section 4;

(b) The form in which and the time at which the returns may be furnished to the Board under sub-section (1) of section 15.

Rules and
regula-
tions to
be laid
before
Parlia-
ment.

23. Every rule and every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

STATEMENT OF OBJECTS AND REASONS

This Bill is complementary to the Research and Development Cess (Amendment) Bill, 1995. Under the Research and Development Cess (Amendment) Bill, 1995 it is proposed that the cess levied and collected under the Research and Development Cess Act, 1986 shall be credited to a Fund created under this Bill.

2. The Technology Development Board Bill, 1995 seeks to provide for the constitution of a Board for payment of equity capital or any other financial assistance to industrial concerns and institutions attempting commercial application of indigenous technology or adapting imported technology to wider domestic applications and for matters connected therewith or incidental thereto.

3. The Bill seeks to achieve the above objects.

NEW DELHI;

MANMOHAN SINGH.

The 13th February, 1995.

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF THE
CONSTITUTION OF INDIA

[Copy of D.O. No. 16/15/94-NRI dated 14 February, 1995 from Shri M. V. Chandrashekara Murthy, Minister of State in the Ministry of Finance to the Secretary-General, Lok Sabha.]

The President, having been informed of the subject matter of the proposed the Technology Development Board Bill, 1995 recommends under Clause (1) and Clause (3) of Article 117 of the Constitution, the introduction and consideration of the above Bill in Lok Sabha.

FINANCIAL MEMORANDUM.

Sub-clause (1) of clause 3 of the Bill provides for the constitution of the Technology Development Board. Sub-clause (4) provides that the term of office and other conditions of service of members specified in item (6) of sub-clause (3) shall be such as may be prescribed.

2. Sub-clause (1) of clause 4 provides for the appointment of Secretary and other officers and employees of the Board. The Secretary, other officers and employees will be entitled to such salaries and allowances as may be determined by regulations made under sub-clause (2) of clause 4. Provision has been made under sub-clause (2) of clause 17 for appointment of a person or persons to exercise and perform the powers and duties of the Board when the Board is superseded.

3. Clause 6 provides for the functions of the Board and these include, *inter alia*, providing equity capital or any other financial assistance to industrial concerns and research and development institutions for developing indigenous technology, attempting commercial application of indigenous technology or adapting imported technology for wider domestic applications.

4. The aforementioned provisions of the Bill in towards—

(a) payment of salaries, allowances, etc. of the members of the Board, persons appointed to exercise the powers and duties of the Board when the Board is dissolved and of the officers and employees of the Board; and

(b) meeting other administrative expenses of the Board including expenses for discharging its functions.

5. Clause 9 of the Bill provides for the constitution of a Fund to be called the Fund for Technology Development and Application and the Fund is to be applied for meeting the aforementioned expenditure. The Fund will consist, *inter alia*, of the grants and loans given by the Central Government under clause 9.

6. The Technology Development Board will utilise the budget available with the Department of Science and Technology in the first instance. It is estimated that a sum of Rs. 10 lakhs will be necessary initially for the constitution of the Board. When the Board expands its activities, its expenditure will increase further. The Board will meet its expenditure from its own funds and any payment made to the Board by the Central Government after due appropriation made by Parliament by law in that behalf. In view of the above, it is not possible at this stage to specify the non-recurring expenditure.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 21 of the Bill empowers the Central Government to make rules to provide, among other matters, the term of office and other conditions of service of members (other than *ex officio* members) of the Board, powers and duties of the Chairperson, the constitution of the committees, form of application for financial assistance from the Fund for Technology Development and Application, the form in which the Board may prepare its budget and annual report and maintain its accounts and the manner of audit of accounts and the form and manner in which institutions receiving financial assistance, may furnish return to the Board.

Clause 22 of the Bill empowers the Board, to make, with the previous approval of the Central Government regulations to provide for the terms and conditions of service of the Secretary and other officers and employees of the Board and the form of return and the time within which return may be furnished to the Board.

The matters in respect of which rules and regulations may be made under the aforementioned provisions are matters of procedure or administrative detail and it is not practicable to provide for them in the Bill itself. The delegation of legislative power is therefore, of a normal character.

BILL No. 27 OF 1995

A Bill to amend the Research and Development Cess Act, 1986.

BE it enacted by Parliament in the Forty-sixth Year of the Republic of India as follows:—

1. (1) This Act may be called the Research and Development Cess (Amendment) Act, 1995.

Short
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and
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ment.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

32 of 1986. 2. In section 2 of the Research and Development Cess Act, 1986 (hereinafter referred to as the principal Act),—

Amend-
ment of
section
2.

(i) for clauses (a) to (c), the following clauses shall be substituted, namely:—

“(a) “Board” means the Technology Development Board constituted under the Technology Development Board Act, 1995;

(b) “cess” means the cess levied under section 3

(i) in clause (e), for the words "is approved by the Central Government" occurring at the end, the following shall be substituted, namely:—

"is approved or automatically approved in accordance with the Industrial Policy of the Government of India in force from time to time".

Amendment of section 4.

3. In section 4 of the principal Act.—

(i) for the expression "Development Bank", the expression "Board" shall be substituted;

(ii) for the expression "Fund", the expression "Board" shall be substituted.

Omission of sections 5 and 6.

4. Sections 5 and 6 of the principal Act shall be omitted.

Amendment of sections 8 and 9.

5. In sections 8 and 9 of the principal Act, for the expression "Development Bank", wherever it occurs, the expression "Board" shall be substituted.

STATEMENT OF OBJECTS AND REASONS

The Research and Development Cess Act, 1986 provides for the levy and collection of a cess on all payments made for the import of technology for purposes of encouraging the commercial application of indigenously developed technology and for adapting imported technology to wider domestic application and for matters connected therewith or incidental thereto. The aforesaid Act provides that the proceeds of the cess levied and collected under the said Act shall be first credited to the Consolidated Fund of India and thereafter the Central Government shall make payment out of such proceeds to the Venture Capital Fund of the Industrial Development Bank of India. The Industrial Development Bank of India utilises Venture Capital Fund for providing financial assistance to industrial concerns attempting commercial application of indigenous technology or adapting imported technology to wider domestic application.

2. With the increasing pace of industrialisation in the Indian economy, research, design and development work related to application-oriented technology is vital not only to improve upon our industrial productivity but also to develop new technologies appropriate to our needs. Thus there is a growing need to make science and technology an effective instrument of national renewal. To accelerate the development and application of indigenous technology to production processes, it was announced at the time of presenting the Central Government Budget for 1994-95 that it is proposed to place the proceeds of the cess into a new fund for technology development and application and that the proposed fund will be placed at the disposal of a Technology Development Board which is proposed to be set up as a statutory body by a separate legislation.

3. With a view to achieving the above objectives it is proposed to amend the Research and Development Cess Act, 1986 so as to substitute for the Venture Capital Fund by the Technology Development Board which is proposed to be constituted under a separate enactment, namely, the Technology Development Board Bill, 1995. It is also proposed to make some consequential amendments in the said Act.

4. The Bill seeks to achieve the above objects.

NEW DELHI:

MANMOHAN SINGH.

The 13th February, 1995.

R. C. BHARDWAJ.

Secretary-General.

